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9 October 1956

MEMORANDUM FOR: Chief, FI/Plans Division

THROUGH Chief, FI/Plans/Projects Branch

SUBJECT: Amendment to Project AECARRERA to Provide
Support for Soviet Defector-in-Place
AECARRERA []

1. It is requested that Project AECARRERA as amended, which was approved for renewal on 8 August 1956 for the period 1 July 1956 through 30 June 1957 in the amount of \$20,135.00 be further amended to provide funds for the support of Soviet defector-in-place AECARRERA [] Additional funds in the amount of \$3,900.00 are requested.

2. AECARRERA [] is a Soviet Army captain commanding an anti-aircraft artillery battery in a unit in East Germany. He is a Ukrainian by national origin, was born in 1919, received seven years of schooling, and has been in the Soviet army since 1939, during which time he has completed officers' candidate school and various officer qualification courses. He has been stationed in East Germany at least since 1953. At present he is about to be returned to the USSR for release to inactive duty under the recently announced demobilization decree.

3. AECARRERA [] was originally contacted in August 1955 when an East German woman found a package of documents which he had lost and turned them in to RIAS in West Berlin. The documents were turned over to AECARRERA, who, using the letterhead of AEVIRGIL, wrote AECARRERA [] a letter through the Soviet field postal system telling him that he could get his documents back by sending a trusted German to the AEVIRGIL office. A German subsequently appeared at the AEVIRGIL office with a letter from AECARRERA [] and the documents were returned to him by this courier.

4. Regular letter correspondence has been conducted ever since, during which AECARRERA [] has been passed several items which he requested, for which he has given receipts. He has furnished some information,

primarily on political attitudes among the personnel of his post, and seems to have few if any reservations about furnishing it, although this aspect was not emphasized particularly during the development in order to avoid frightening him off before he was so deeply committed that he could not withdraw without misapprehensions about the consequences of doing so.

5. Subject can best be described as a materialist. He has manifested some personal dissatisfaction with the present Soviet regime, but primarily because he blames what he feels to be his personal insecurity on it. In addition, as a Ukrainian he seems to have some resentment against the regime led by Great Russians. However, mainly and chiefly he is interested in a secure material future, and ideology plays very little role in his outlook. As he says, "My socialism must be in my pocket. When there is money it is easy to read the resolutions."

6. This materialism of subject's, coupled with the fact that the prospects for demobilized officers with no civilian skills (as is his case) in the USSR are at present not the most comfortable, represents the basic means through which his cooperation, it is felt, can be secured. He most probably will have no illusions about what stands behind AEVIRGIL; at the same time he has exhibited no particular reluctance to maintain communications, nor has he been reluctant to disclose information the revelation of which most certainly would get him in trouble.

7. It is planned to have subject travel to West Berlin for assessment and briefing prior to his return to the USSR. Time permitting, the following will be accomplished at this meeting:

A) Checking of S/W communications procedures and arrangements. AECARRERA has already been issued a S/W system and is practicing with it.

B) Debriefing on subjects of positive intelligence and operational intelligence interest available to him as an AAA battery commander. (He will be directed to bring with him to West Berlin certain selected documents which normally would be accessible to him, in order to extract as much positive intelligence from him prior to the commitment of any support, and to check his bona fides).

C) Provided necessary clearance is forthcoming, he will be instructed in the operation of CV-1 radio converter device which will permit one-way W/T communication (base to agent), thus accelerating the placement of requirements and directions to the agent and reducing the load on the internal USSR mailing facilities.

Basic communications will be by two-way S/W. A POA has been requested and an operational approval will be obtained if possible.

D) He will be directed to take up residence in one of five or six large cities in the southwestern USSR in which or near which are located positive intelligence targets of strategic interest. While we cannot force him to take up residence in any particular city, we can indicate to him where we would like to have him live from the point of view of being the greatest value to us. We will also indicate to him that if possible he should try to settle in one of the large cities of the Soviet Far East.

8. It is planned to establish the following basic agreement with the agent, provided that his further assessment indicates that the case should be pursued: We will furnish subject with a certain amount of valuables which he will take back with him to the USSR and convert there into cash, thus providing him with a certain amount of resources which will permit him to take his time about getting established in civilian life. The cash so produced will constitute subject's compensation for cooperating with us, with the reservation that one-fourth of the money realized will be used for operational expenses incurred at our direction. In addition, we will deposit to a holding account in his name a sum of money every month. This money will be available to subject in the event that in the future he gets into a position where it can be transferred to him securely, either inside or outside of the USSR.

9. For his side of the bargain, subject will undertake to keep in contact with us through means to be determined by us. In addition he will undertake to furnish information requested by us which information will for the most part be accessible to him normally through his ordinary everyday location and/or occupation, and generally will require no illegal procurement activity on his part. He will to the degree feasible attempt to follow our directions insofar as residence and occupation are concerned. His cooperation in regard to furnishing information and staying in regular contact with us will determine whether or not the payments are made into his holding account, as well as whether other unnamed steps are taken to control or influence him further. In short, agent will furnish information available to him in East Germany. We will then stake him to enough resources to enable him to have some choice as to his immediate future in the USSR. Once he returns to the USSR, he will furnish information and undertake operational assignments as directed. If his performance is satisfactory, escrow payments will be made to his account and paid to him if and when the occasion presents itself.

10. It will be seen that the control factor once the agent returns to the USSR is practically non-existent except as it exists in the mind of the agent. It is felt that subject can probably be maintained in fairly frequent contact with us for a period of at least two years, and

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possibly longer if the ability to resupply him should present itself. His military experience as an anti-aircraft artillery officer may get him a civilian job connected with some aspect of weapons development, and if he does get sent to the eastern part of the USSR, the financial support which we give him may permit him to choose to go to one of the large cities of Eastern Siberia or the Soviet Far East, rather than to the agricultural developments in the new lands, where communications would be more difficult and the possibilities of obtaining good intelligence information somewhat less likely.

11. The sum of \$3,900.00 requested in this memorandum is broken down as follows:

CV-1 radio converter unit with accessories	\$200.00
Deposits to escrow account: 8 months (November 1956-June 1957) @ \$150.00 per month. Monetary or other resupply made to agent after his return to the USSR would be drawn from this account	1200.00
Funds for the purchase of valuables to be converted into cash in the USSR. Agent will be made to understand that one-fourth of the sum realized from the sale of the valuables will be for operational expenses incurred at our direction, and the remainder will be compensation.	2500.00
Total	\$3,900.00

CHIEF, SR/3

APPROVAL SR/CF/PI

APPROVAL CHIEF, FI

DATE _____